

**MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE**

Room 210 East Senate Building, State Capitol Complex

February 4, 2016

Members Present: Sen. Stephen H. Urquhart, Co-Chair
Rep. Keith Grover, Co-Chair
Rep. Jon E. Stanard, House Vice Chair
Sen. Jim Dabakis
Sen. Ann Millner
Sen. Howard A. Stephenson
Sen. Jerry W. Stevenson
Sen. Evan J. Vickers
Rep. Kim Coleman
Rep. Fred C. Cox
Rep. Jack R. Draxler
Rep. Daniel McCay
Rep. Kay L. McIff
Rep. Carol Spackman Moss
Rep. Derrin Owens
Rep. Mark A. Wheatley

Staff Present: Mr. Spencer Pratt, Fiscal Manager
Ms. Jill Curry, Fiscal Analyst
Ms. Lorna Wells, Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

1. Call to Order

Co-Chair Urquhart called the meeting to order at 8:15 a.m.

2. Report from USHE & UCAT on 2015 General Session Intent Language

UCAT Pres Brems said that for the last several years they have been able to participate in the development of the intent language. [UCAT Intent Language Report](#) The intent language has been the catalyst for UCAT developing Policy 205, which allows UCAT to discuss 36,000 students and key data regarding them. He discussed the different categories of students, enrollment, completion and headcount. He also showed cost rates, total state appropriation including dedicated credits, direct instructional costs, and cost per membership hour enrolled.

Rep. Cox asked for clarification regarding the cost rates. He asked if there is data regarding how much of the overall budget goes to each category. Pres. Brems indicated that they have not asked the campuses to provide that specific data. Mr. Zach Barrus, V.P. for Student Services & Institutional Data said they don't have that break down, but taking the cost per membership hour and comparing that with the total membership hours accrued within each category would obtain a cursory answer. This would be very difficult to calculate exactly because students of all

different categories could be in the same class. Pres. Brems said they could provide more data if necessary.

Vice Chair Stanard asked about the head count for the non-graduate early hires. He asked if they are hired into a relevant field before they finish, if that counts as completed. Pres. Brems stated that they are counted as completers and that this comes from the rules followed for reporting to their accrediting body.

Sen. Stephenson indicated that it was very helpful to see data categorized in this manner. He mentioned that it would be valuable to get data from the LEA's with respect to secondary students. The completion rate of 91 percent reflects that they did get high school credit for the class, but he would also like to see how many of those students did actually go on to get a certificate. This information would be helpful in determining where resources should be allocated. Pres. Brems indicated they could provide this information for the committee. Mr. Barrus reported that 1,263 out of 8,652 have received certificates while they were secondary students. Approximately 150 students earned more than one certificate. They discussed these figures in more detail.

Vice Chair Stanard mentioned that having a percentage of secondary students who finished a certificate would be helpful. He stated that having a "finished what they started" completion rate is also an important factor. He said that it was difficult to compare USHE's first-time full-time students' completion rates with the UCAT completion rates.

Vice Chair Stanard informed the committee that they will be working on intent language before the end of the meetings. They will also be looking at a policy change from UCAT to ensure a consistent way that certificates are counted. Pres. Brems reported that at the present time this has been left up to the different campuses. They will be making a system-decision regarding this. Pres. Brems mentioned the UCAT data is very complex, but it would not be their intent to present confusing information. It is helpful when questions are asked to make sure that UCAT understands what data is wanted.

3. USHE Base Budget Presentations

a. University of Utah (U of U) David W. Pershing, President, U of U introduced Dr. Ruth Watkins, Senior Vice President for Academic Affairs. Pres. Pershing explained the vision of the U of U. He discussed the total degrees awarded by degree type. He emphasized graduate degrees and baccalaureate degrees. He reported on the increase in required GPA and ACT score as well as required high school classes before accepting incoming freshmen.

Sen. Stephenson expected that there would be a drop in these requirements during the L.D.S. Church missionary age change in 2013, but there wasn't a drop. Pres. Pershing indicated that because they do admissions based on criteria and not on a cap; the number of students enrolled did drop, but the criteria and quality for admissions did not drop. Sen. Stephenson commented they could have maintained the enrollment numbers by lowering the standard. Dr. Watkins replied that they did not want to lower the standards; they wanted the students who were admitted to succeed.

Pres. Pershing indicated that 90 percent of the students are working their way through college. He showed tuition rates and compared them with other institutions. He showed the average salary by faculty rank and compared them with the PAC-12 schools as well as USHE peers. He stated that it was very important to keep compensation as a high priority. He mentioned some of the savings measures they have enacted such as having embedded human resource functions, in copier/printer costs, and in e-procurement.

Pres. Pershing discussed some of the national rankings for the U of U. He stated that their goal is to move the entire campus into the top 25. They look at quality, affordability and value. The U of U is at the top of the PAC-12 in terms of value. He mentioned the health sciences field and that the training received at the U of U is in the top ten of the nation. He discussed the quality of the medical center.

Co-Chair Urquhart asked about the significant tuition increases at the U of U. Pres. Pershing reminded committee members that there are two parts to tuition. He stated that during the recession tuition did increase. Their costs have also increased. They are trying to be more conservative and only have only had a tier one increase this year and last year. They are trying to hold their costs down as much as possible. He is aware that tuition at the U of U is more expensive. He said that offering STEM degrees is more expensive.

Co-Chair Urquhart understands that the U of U has lots of high-dollar programs. He asked if tuition is also higher because they are competing for more expensive professors. Pres. Pershing indicated that labs are very expensive, and providing competitive salaries is also expensive. They do not lose their faculty to other USHE institutions, but to other states who are competing in this market.

Sen. Dabakis was very concerned about affordability. He asked Pres. Pershing what grade he would give to the legislature for living up to its responsibility to fund higher education. He mentioned that in the past, up to 75 percent of funding was state funding, and now it is less than 50 percent. Pres. Pershing said it is very important to continue the partnership between the Legislature and higher education. He appreciated the work of the committee to fight for state dollars. He said the funding has improved over the last couple of years.

Co-Chair Urquhart said the rapidly increasing costs of higher education are outpacing the ability of tax payers to keep up. Sen. Dabakis said his rating would be a D- for both the Legislature and the Executive branch. Co-Chair Urquhart said he would give the Legislature a C. He asked committee members to present a better case to fellow legislators and to the EAC.

Rep Draxler echoed the praises for this flagship institution, and asked if they are stretched as far as they can go as far as facilities. He was concerned about the ability of students to pay for their schooling and if the U of U can hold the line on tier-two tuition increases. Pres. Pershing said they are working on this very hard, they are giving more scholarships and finding more funding sources.

Rep. Wheatley asked if adjunct faculty pay had decreased to allow for raises for full-time

faculty. Pres. Pershing said they have shifted their focus towards more full-time faculty. Dr. Watkins explained that this is a national issue. They are paying careful attention to how they are supporting adjunct faculty.

Rep McIff thanked the president for his presentation. He asked if in the past, Utah was an exporter of talent, and how important it is to keep the talent in Utah. Pres. Pershing indicated that the quality of life in Utah is helping; for the most part graduates are staying in Utah. Dr. Watkins said they have made a significant investment in attracting talented faculty. Vice Chair Stanard asked what they were referring to as Utah's quality of life. Dr. Watkins answered the beautiful physical environment, the many options for leisure activities, and the collaborative environment. Sen. Millner mentioned the move to compete on the national stage means that costs will go up. It is important to think about tuition in these terms.

Rep. Coleman asked how the U of U is leveraging technology to contain costs. She also wanted to know why an on-line course costs more than face-to-face classes. Pres. Pershing indicated the number of on-line courses and students have grown dramatically. He reported that initially there is a greater investment in preparing on-line course materials. He felt that over time these start-up costs will diminish.

Rep. Moss asked about the cost of out-of-state tuition and if the U of U recruits out-of-state students. Pres. Pershing replied that out-of-state tuition is three times more than in-state tuition. They don't actively build an out-of-state population, but they do some limited recruiting.

Pres. Pershing discussed the importance of research and development, which costs \$400 million to support, but receives much more than that in federal and privately-funded grants. He stated they are working on the first-to-second year retention rate. They are also working on the six-year graduation goal. He mentioned that this is difficult because such a high percentage of students work, so it takes them a longer time to graduate.

Co-Chair Urquhart stated that the statistics were very impressive. Pres. Pershing indicated they were looking at offering summer scholarships and other various incentives to graduate within six years. He gave an example of some of the very successful senior projects.

Rep. McCay said it was valuable to hear about all of the academic successes at the U of U without all of the athletic accolades being mentioned. He felt that opinions often get tainted by university athletic attitudes. He wanted to focus on the endeavors that add value to the state, rather than just athletic programs. Pres. Pershing stated that he is very focused on academics.

b. Utah State University (USU) Co-Chair Urquhart indicated that President Albrecht will be leaving USU. He has been a bright star and is responsible for many significant accomplishments including taking a backseat for equity funding. He will be sorely missed. Stan Albrecht, President, USU appreciated each of the legislators for their leadership, guidance and positive impact. He stressed the importance of USU for individual students and their ability to obtain an education. He discussed the forward momentum and a decade of growth. He mentioned that USU is appropriated a significant amount of tax-payer dollars and is accountable for those dollars. He discussed enrollment, the number of degrees granted, and scholarships.

Pres. Albrecht stated that the costs of education are going up. They are working to maximize opportunities for students. He reported that they are building infrastructure and discussed the new buildings including the Eastern Campus and Tooele. He discussed USU's unique role in providing CTE as well as bachelor's and post-graduate work. He said they have a very broad mission at all levels. They are constantly engaged in program reviews. He explained the new and discontinued programs. He mentioned aerospace engineering, outdoor product design and development, public health neuroscience, big data analytics, and climate and water.

Pres. Albrecht discussed the increase in graduate student applications, graduate teaching assistantships, and the Presidential Doctoral fellows. He mentioned the cross-stem degrees. He discussed tuition issues and marketing. He reported on stackable credentials and their partnership with UCAT. They have been giving additional completion support in math. He reported that USU has doubled their undergraduate applications.

Pres. Albrecht explained the various methods of course delivery including face-to-face, broadcast and on-line course offerings. He said that USU's online program is one of the top in the nation. They are empowering research funding. He discussed three major grants they have received.

Sen. Dabakis asked Pres. Albrecht to tell the committee the things they need to know as they make funding decisions. Pres. Albrecht answered that the committee has done an incredible job. There are concerns about the future especially on how students behave and the influence of the press.

Rep. McIff stated that no other ten-year period at USU was comparable to what has happened in the past ten years. He was very appreciative of Pres. Albrecht's service.

Rep. Owens was appreciative of USU's delivery to rural Utah; stating the outreach programs are second to none. Vice Chair Stanard thanked Pres. Albrecht for his phenomenal work. He will be missed at the Legislature and on campus. Co-Chair Urquhart said the Board of Regents were very wise in selecting Pres. Albrecht.

4. Subcommittee Action on FY 2017 Base Budget – S.B. 1

Mr. Pratt explained that the committee chairs would present the actions of this committee to EAC relative to S.B. 1.

Co-Chair Urquhart mentioned that Sen. Hillyard has asked the chairs to speak to where cuts might be made. The chairs wanted input from the committee regarding this. He mentioned that reducing O & M for buildings not yet operational was fairly standard. Co-Chair Grover recalled that they took a little heat last year because they didn't suggest possible cuts. Instead, they trust the presidents to make these cuts when they are required. They also ask for audits to help bring inefficiencies to light.

Sen. Dabakis commended the leadership of the committee. He felt that approach was prudent

and wise. Vice Chair Stanard said that all committee members could do a better job of advocating for higher education.

MOTION: Rep. McCay moved to adopt the Base Budget as shown in S.B. 1

Rep. Cox and Rep. McIff expressed reluctance to cut tuition waivers. Vice Chair Stanard explained that this a balancing act with the EAC and there would be more time for committee discussion regarding these issues.

The motion passed unanimously with Sen. Stevenson absent for the vote.

5. Report on CTE [USHE CTE Report](#)

a. Canyons School District. Ms. Janet Goble, CTE Director, Canyons School District reported on CTE programs. She mentioned three programs where they are partnering with SLCC and they are currently planning to roll out one more. She stated that Rick Bouillon, SLCC Dean of the School of Technical Specialties, sits on their Board which helps foster the partnership.

Rep. Coleman asked if there are equitable opportunities for other students in the Salt Lake area with other areas of the state.

b. Salt Lake Community College (SLCC) Denece Huftalin, President, SLCC mentioned that they are working very closely with the school districts. She gave an overview of the CTE programs at SLCC. She explained the non-credit SAT programs. She stated that in the Salt Lake area most high school students choose concurrent enrollment courses. She reported that there are 45 high school courses that will then articulate to SLCC. The pathway is clean and the credits are articulated. She explained the different types of certificates and stackable credentials. She also discussed funding for CTE.

Vice Chair Stanard asked for clarification about the pathways. Pres. Huftalin mentioned they usually articulate to a Certificate, and then to an A.A.S. Degree. Some A.A.S. degrees will also articulate towards a B.S. degree. Vice Chair Stanard stated that it was very important to remove barriers and to keep this process as seamless as possible.

Sen. Stephenson asked for completion rate information. Pres Huftalin said they could track completion rates for the SAT programs, but it would be very difficult to track concurrent enrollment students because they are in many different high schools and transfer to many different institutions.

Sen. Stephenson would like to see a more detailed CTE report. Vice Chair Stanard would like more information about articulation between UCAT and USHE. Rep. Coleman asked about the statistics for UCAT cost per membership hours as it relates to USHE costs. She also like more data regarding completion rates in the CTE programs at SLCC.

c. Jordan School District Mr. Jason Skidmore, CTE Director, Jordan School district mentioned that February is CTE education month. He discussed the articulation and

cooperation between the Jordan School District and USHE. He discussed the regional consortium partnership with six school districts. He explained the importance of the PAC committees.

Vice Chair Stanard asked if he felt that the workflow and transition worked well. Mr. Skidmore said that it worked very well. Vice Chair Stanard indicated the committee needed more data to make reasonable comparisons.

d. Granite School District Mr. James Taylor, CTE Director, Granite School District expressed appreciation for the partnership with SLCC. He said that this region serves a large number of K-12 students. The current model serves students well. He said they meet as a consortium once or twice a month.

Rep Coleman asked if they were discontinuing any programs. Mr. Taylor reported that they were discontinuing the barbering and cosmetology program.

Co-Chair Urquhart reminded committee members to review the base budget and to let the chairs know of any budget requests.

MOTION: Rep. Grover moved to adjourn. The motion passed unanimously.

Co-Chair Urquhart adjourned the meeting at 10:56 a.m.

Sen. Stephen H. Urquhart, Co-Chair

Rep. Keith Grover, Co-Chair